

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

October 22, 2001

IN RE:)	
)	
PETITION OF SHILOH FALLS UTILITIES,)	DOCKET NO.
INC. TO AMEND ITS CERTIFICATE OF)	01-00378
PUBLIC CONVENIENCE AND NECESSITY)	
FOR EXPANSION OF ITS SERVICE AREA)	

**ORDER APPROVING PETITION OF SHILOH FALLS UTILITIES, INC. TO AMEND
ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

This matter came before the Tennessee Regulatory Authority (the "Authority") at a regularly scheduled Authority Conference held on August 7, 2001, to consider the Petition (the "Petition") of Shiloh Falls Utilities, Inc. ("Shiloh Falls") to amend its Certificate of Public Convenience and Necessity ("CCN") to expand its service area to include a five (5) acre tract adjoining Shiloh Falls' existing service area in Hardin County, Tennessee.

Legal Standard for Granting CCN

Shiloh Falls' Petition was made pursuant to and was considered in light of the criteria for granting a CCN as set forth in Tenn. Code Ann. § 65-4-201, which provides, in pertinent part:

(a) No public utility shall establish or begin the construction of, or operate any line, plant, or system, or route in or into a municipality or other territory already receiving a like service from another public utility, or establish service therein, without first having obtained from the authority, after written application and hearing, a certificate that the present or future public convenience and necessity require or will require such construction, establishment, and operation, and no person or corporation not at the time a public utility shall commence the construction of any plant, line, system or route to be operated as a public utility, or the operation of which would constitute the same, or the owner or operator thereof, a public utility as defined by law, without having first obtained, in like manner, a similar certificate . . .

Background

Shiloh Falls, with its principal office located in Counce, Tennessee, operates a wastewater system in Hardin County, Tennessee. On June 27, 1996, Shiloh Falls received a CCN in Docket No. 95-03948 from the Tennessee Public Service Commission to provide wastewater service to an area located in Hardin County.

Petition to Amend CCN

On April 4, 2001, Shiloh Falls filed its Petition to amend its CCN to expand its service area to include an additional area covering five (5) acres and including a commercial retail shopping center. As indicated by a map attached to the Petition, the area for which Shiloh Falls requests an extension of its CCN adjoins the area currently included in its CCN. Shiloh Falls states that neither the City of Savannah nor the First Utility District of Hardin County has an interest in providing wastewater service to the proposed additional area, as evidenced by letters submitted with the Petition.

In its Petition, Shiloh Falls states that no rate change will be required or requested as a result of the expansion of its CCN. The Petition states that Shiloh Falls will incur no cost or expenses due to the expansion other than normal facility operations costs, as the owner of the affected area will bear all construction expense for the installation of lines and pumps to connect to Shiloh Falls' system. The Petition further states that the customers included in the affected area will be billed the same tap fees and monthly sewer charges as Shiloh Falls' existing customers.

On August 7, 2001, Shiloh Falls' Petition came before the Authority at a regularly scheduled Authority Conference. Upon consideration of the Petition and the entire record, the Authority finds that the present and future public convenience and necessity require the approval

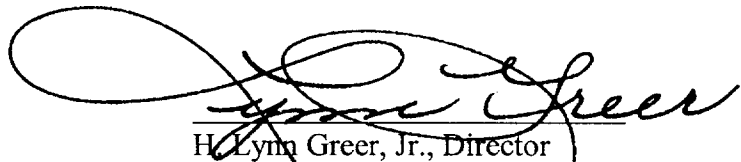
of Shiloh Falls' Petition. Pursuant to Tenn. Code Ann. § 65-4-201, the Authority grants Shiloh Falls' Petition.

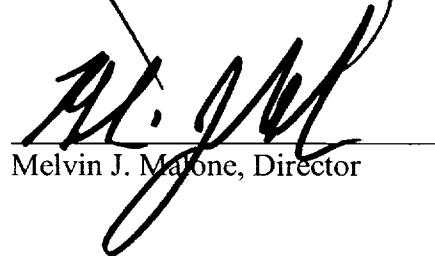
IT IS THEREFORE ORDERED THAT:

1. The Petition of Shiloh Falls Utilities, Inc. to amend its Certificate of Public Convenience and Necessity to include an area in Hardin County, Tennessee consisting of a five (5) acre tract adjoining Shiloh Falls' existing service area, as shown in the map attached to the Petition, is approved;

2. Any party aggrieved with the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within fifteen (15) days from the date of this Order.


Sara Kyle, Chairman


H. Lynn Greer, Jr., Director


Melvin J. Malone, Director

ATTEST:


K. David Waddell, Executive Secretary